

at state and local levels, in answering questions concerning specific small geographic regions, is also growing rapidly.

On the side of information processing technology, the last decade has seen great developments in machine processing, storage and transmission of information in machine-readable form. This progress is continuing both in the computing equipment itself (hardware) and in the programmed instructions for directing the machines (software). These developments place the problems of large-scale storage, integrated data files, rapid access, and confidentiality in an entirely new light. In particular, it is now possible, with sufficient effort, to create the capability for combining centralized processing and storage of large bodies of data with decentralized analytical use, subject to the restraints of a uniform system of limits on the disclosure of data on individual reporting units.

In pointing to the shortcomings of the Federal Statistical System as presently organized, the Committee does not wish to suggest either that those charged with its operation are unaware of these problems, or that they are making no attempt to find remedies for them. Quite the contrary. The Committee has the highest regard for the professional competence and dedication of the senior personnel of the major statistical agencies. We can say the same of the Office of Statistical Standards in the Bureau of the Budget, which is now charged with the coordinating responsibilities for the Federal Statistical System, as adviser to the Director of the Budget. These two groups are now making serious efforts to deal with the kinds of problems we described. Recent increases in the level of Census work performed for other agencies on a reimbursable basis is an example of one method of meeting these problems. The cooperative efforts of the IRS and the Census Bureau to use data from the income tax returns for the Economic Censuses is another. Further, the heads of the statistical agencies and the officials of the OSS have been of the greatest assistance to the Committee in making this report. However, the Committee believes both that insufficient resources are being devoted to dealing with the problem, and that the present organizational framework cannot generate improvements in the existing situation fast enough to cope with the growth of the problem. We conclude, therefore, that significant organizational change as well as increased effort are necessary conditions for a successful attack on it.

The building of an integrated body of data combining presently available sources of the appropriate kinds of data, which preserves in usable form the maximum detail of information, stored on tape or other machine-readable form, coded, organized, and indexed so as to be readily accessible, is the minimum step which must be taken to cope with problems sketched above. The existing agencies are now approaching this task slowly, with a scale of effort too small to ensure that it can be completed, and under a variety of inhibitions and constraints. The Census has taken a commendable lead, and already has done a number of useful tasks. However, this job is viewed both by Census and the other agencies as a second-priority activity, which cannot compete for personnel, machine time, or funds with ongoing current programs. This is natural, and indeed inevitable. Simple inter-agency jealousies and rivalries have also created inhibitions on prompt and full cooperation.

The Office of Statistical Standards is too remote from operating responsibility to move forward at the pace at which such integrating activities need to be carried on. Its negative powers are, at least theoretically, great, but its ability to promote new programs is limited to what it can accomplish by persuasion in the face of institutional pressures which go in the opposite direction.

Finally, none of the constituent agencies of the System has given the problems described above or the opportunities to deal with them provided by advancing technology, the importance that this committee—following in the footsteps of several predecessors—assigns them.

3. WHAT IS TO BE DONE?

Were the Committee to be designing a Federal Statistical System *de novo*, it would clearly recommend the creation of a single Central Statistical Agency with the following responsibilities:

a. Collecting all systematic, general-purpose, large-scale quantitative information of a demographic, economic, or social nature, insofar as it is not produced as a by-product of the administrative operations of the Government.

The qualifying adjectives are meant to preserve the freedom of operating and policy agencies to make, when necessary, occasional surveys or special-purpose studies for their own purposes when the Central Agency was unable to provide the requisite information, although the Central Agency would have the facilities